

Wednesday, August 29, 1962

Daily Digest

HIGHLIGHTS

Senate worked on tax bill, rejecting withholding tax on interest and dividends.

House passed public works acceleration bill.

Senate

Chamber Action

Routine Proceedings, pages 16974-16987

Bills Introduced: Two bills were introduced, as follows: S. 3684-3685. *Pages 16974-16975*

Bills Reported: Reports were made as follows:

H.R. 11217, requiring forfeiture of retired pay if a retired officer of the armed services engages in selling to the Department of Defense for a period 3 years from retirement, with amendment (S. Rept. 1979);

S.J. Res. 222, designating period from October 1962 to October 1963 as National Safety Council 50th Anniversary Year (S. Rept. 1980);

H.R. 8038, to prohibit certain acts involving the use of tokens, slugs, etc., which are similar in size to the U.S. coins or currency, with amendments (S. Rept. 1981); and

S. 3646, to amend the Communications Act relative to merger of domestic telegraph carriers, with amendment (S. Rept. 1982). *Page 16974*

Oceanography: Senate disagreed to amendments of House to S. 901, to establish a comprehensive 10-year program of oceanographic research and surveys, asked for conference with House, and appointed as conferees Senators Smathers, Engle, Bartlett, Butler, and Keating. *Pages 17010-17011*

Continuing Appropriations: Senate passed without amendment and cleared for White House H.J. Res. 864, providing for continuing appropriations through September 30, 1962. *Pages 16977-16978, 17010*

Authority To Meet: Committee on the Judiciary was authorized to meet while Senate is in session on Thursday, August 30. *Page 17051*

Taxation: Senate worked on H.R. 10650, proposed Revenue Act of 1962, taking the following actions on committee amendments:

Adopted: By 54 yeas to 39 nays (motion to reconsider tabled), committee amendment which would permit

deduction of certain entertainment expenses associated with the active conduct of the taxpayer's business in addition to those directly related thereto; committee amendment to insert section on charitable contributions made from income attributable to several taxable years; and by 66 yeas to 20 nays (motion to reconsider tabled), committee amendment to eliminate House language that would withhold tax on interest and dividends at the source, and to substitute provision that would require reporting of interest and dividends of \$10 or more; and

Rejected: Douglas amendment (to committee amendment) to repeal present requirement for withholding of income tax on wages at the source (in effect rejected when Senate, by 62 yeas to 17 nays, adopted Mansfield motion to table this amendment). Motion to reconsider this action was tabled.

Pending at adjournment was committee amendment to add language to allow deduction by farmers for clearing of land. *Pages 16987-17005, 17011-17051*

Nomination: One civilian nomination was received. *Page 17056*

Legislative Program: Majority leader announced that if action on H.R. 10650, proposed Revenue Act of 1962, is not finished on Friday, August 31, the Senate will be in session on Saturday, September 1, to consider H.R. 10650 and H.R. 12711, independent offices appropriations, and if the Senate meets on Saturday it will go over until Tuesday, September 4. *Page 17014*

Record Votes: Three record votes were taken today. *Pages 17013, 17044, 17046*

Quorum Call: One quorum call was taken today. *Page 16977*

Program for Thursday: Senate met at 10 a.m. and adjourned at 8:29 p.m. until 10 a.m. Thursday, August 30, when it will continue on H.R. 10650, proposed Revenue Act of 1962. *Pages 17014, 17056*

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Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—FOREIGN AID

Committee on Appropriations: Committee continued its executive hearings on fiscal 1963 budget estimates for foreign aid, receiving testimony from J. Robert Schaetzel, Special Assistant to the Under Secretary of State; Edmond C. Hutchinson, Assistant Administrator, Bureau for Africa and Europe, AID; and Brig. Gen. Samuel K. Eaton, Office of the Assistant Secretary of Defense for International Security Affairs.

Hearings continue tomorrow.

APPROPRIATIONS—MILITARY CONSTRUCTION

Committee on Appropriations: Subcommittee, in executive session, marked up and approved for full committee consideration H.R. 12870, fiscal 1963 appropriations for military construction.

HOUSING PROGRAMS

Committee on Banking and Currency: Subcommittee on Housing held hearings to review the status of Federal housing programs, having as its witnesses Jack T. Conway, Acting Administrator, John C. Kohl, Office of Transportation, Milton P. Semer, General Counsel, and George B. Nesbitt, all of the HHFA; Neal J. Hardy, Commissioner, FHA; Howard J. Wharton, Acting Commissioner, Urban Renewal Administration; Pere F. Seward, Deputy Commissioner, Community Facilities Administration; Mrs. Marie C. McGuire, Commissioner, Public Housing Administration; and J. Stanley Baughman, President, Federal National Mortgage Association.

FOREIGN BROADCASTING FROM U.S.

Committee on Commerce: Subcommittee on Communications held and concluded hearings on S. 2252, authorizing foreign governments to broadcast radio messages from Washington, D.C., to points outside the U.S. provided the U.S. is afforded reciprocal privileges in other countries. Witnesses heard were George W. Ball, Under Secretary of State; Max D. Paglin, General Counsel, Federal Communications Commission; and Adm. M. E. Curtis, USN (retired), Director of Telecommunications Policy, Office of the Secretary of Defense.

PACIFIC TRADE

Committee on Commerce: Committee continued hearings on trade patterns in the Pacific area and the prospects for increasing exports to the other free nations bordering on the Pacific Ocean, having as its witness Jack N. Behrman, Deputy Assistant Secretary of Commerce for International Affairs.

Hearings were recessed subject to call.

D.C. INSURANCE MATTERS

Committee on the District of Columbia: Subcommittee on Business and Commerce held hearings on the following bills:

S. 3358, to permit investment of funds of D.C. insurance companies in obligations of the Inter-American Development Bank, with testimony from Fred B. Smith, Deputy General Counsel, and Charles Harley, Office of Insurance Finance, both of the Treasury Department; and Thomas F. Moyer, Assistant Corporation Counsel, and Maximilian Wallach, Department of Insurance, both of the D.C.; and

H.R. 8738, to amend the D.C. Life Insurance Act with respect to the standards for valuation and premium rates, with testimony from C. Turner Hudgins, representing several independent insurance companies in the D.C.; and Messrs. Moyer and Wallach.

D.C. UNEMPLOYMENT COMPENSATION ACT

Committee on the District of Columbia: Subcommittee on Public Health, Education, Welfare, and Safety held hearings on S. 3596, to amend the D.C. Unemployment Compensation Act to reduce the qualifying time for experience rating provisions for nonprofit and certain other institutions, receiving testimony from Anthony Sluga, Assistant Corporation Counsel, D.C.; Louis Mackall, Jr., D.C. Unemployment Compensation Board; Frank Gunther, the Washington Metropolitan Board of Trade; Henry W. Herzog, George Washington University, who represented all the universities in the D.C.; and William M. Bucher, who represented the D.C. hospitals.

INVESTIGATION—USDA-ESTES

Committee on Government Operations: The Permanent Subcommittee on Investigations continued hearings on the financial activities of Billie Sol Estes, receiving testimony from Joseph M. Robertson, Administrative Assistant to the Secretary of Agriculture; and Charles Murphy, Under Secretary of Agriculture.

Hearings continue tomorrow, with further testimony from Mr. Murphy.

TRADING WITH THE ENEMY

Committee on the Judiciary: Trading With the Enemy Subcommittee held hearings on proposals to amend section 9(a) of the Trading With the Enemy Act, the effect of which proposals would be to allow the Government to sell certain vested assets even though they are currently in litigation. Testimony was received from Nicholas deB. Katzenbach, Deputy Attorney General.

Hearings were recessed subject to call.

THE ARTS

Committee on Labor and Public Welfare: Special Subcommittee on the Arts began a series of hearings on S. 741, to establish a Federal Advisory Council on the